

INSTRUMENT PREPARED BY  
VIRGINIA GAS AND OIL BOARD

ORDER RECORDED UNDER CODE  
OF VIRGINIA SECTION 45.1-361.26

VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

APPLICANT:	RANGE RESOURCES-PINE MOUNTAIN INC.	) VIRGINIA GAS
		) AND OIL BOARD
		)
		)
RELIEF SOUGHT:	ESTABLISHMENT OF A PROVISIONAL DRILLING	)
	UNIT CONSISTING OF 234.91 ACRES DESCRIBED	) DOCKET NO.
	AND DEPICTED IN EXHIBIT A (herein "Subject Lands"	) VGOB 08/10/21-2353
	PURSUANT TO VA CODE § 45.1-361.20;	)
	FOR THE DRILLING OF HORIZONTAL	)
	COALBED METHANE GAS WELLS	)
		)
		)
LEGAL DESCRIPTION:		)
		)
	SUBJECT DRILLING UNIT SERVED BY	)
	WELL: VCH-539986	)
	TO BE DRILLED IN THE LOCATION	)
	DEPICTED ON "EXHIBIT A" HERETO,	)
	HAYSI QUADRANGLE	)
	ERVINTON MAGISTERIAL DISTRICT	)
	DICKENSON COUNTY, VIRGINIA	)

#### REPORT OF THE BOARD

##### FINDINGS AND ORDER

1. **Hearing Date and Place:** This matter came before the Virginia Gas and Oil Board (hereafter "Board") for final hearing at 9:00 a.m. on **October 21, 2008**, at the Southwest Virginia Higher Education Center, Abingdon, Virginia.

2. **Appearances:** James E. Kaiser, of Wilhoit and Kaiser, appeared for the Applicant. Sharon M.B. Pigeon, Assistant Attorney General was present to advise the Board.

3. **Jurisdiction and Notice:** Pursuant to Va. Code § 45.1-361.1 et seq., the Board finds that it has jurisdiction over the subject matter. Based upon the evidence presented by Applicant, the Board also finds that the Applicant has (1) exercised due diligence in conducting a meaningful search of reasonably available sources to determine the identity and whereabouts of each gas and oil owner, coal owner, or mineral owner entitled by the VA. Code and Board Rules to Notice hereof; and (2) has represented to the Board that it has given notice to those parties (hereafter sometimes "person(s)" whether referring to individuals, corporations, partnerships, associations, companies, businesses, trusts, joint ventures or other legal entities) entitled by Va. Code § 45.1-361.19 to notice of the Application filed herein; Whereupon, the Board hereby finds that the notices given herein satisfy all statutory requirements, Board rule requirements and the minimum standards of due process.

4. **Relief Requested:** Applicant request the Board issue an order providing as follows:

An establishment of a provisional unit for the exploration, development and production of conventional natural gas from the pool defined as the top of the Raven, including, but not limited to, the Middle Seaboard, War Creek, Lower Horsepen, Pocahontas 9, and all zones in communication therewith and all productive extensions thereof (hereinafter the "Pool"), underlying the area, as depicted in Exhibit "A" and described as follows:

Said boundaries are described using the State Plane Coordinate System as required by 4 VAC 25-160-50.5.c.

Beginning at approximate Virginia State Plane Coordinate (NAD 1927, South Zone): N: 317,731 E: 877,070, (NAD 1983, South Zone): N 3,598,607, E: 10,360,054, being the SW Corner of Unit AQ43, thence North to the NW corner of Unit AP43, thence East to the NE corner of AP44, thence South to the SE corner of AQ44, thence West to the point of Beginning, containing 234.91 acres.

Providing that operations under and in accordance with this order shall be regarded and considered as development, operation and production upon all lands included within the subject provisional drilling unit. Production from any wells drilled on operated, or produced from any part of the provisional drilling unit, no matter where located, shall for all purposes be regarded as production from each separately-owned tract within the subject provisional drilling unit. The portion of production produced from and attributed to the provisional drilling unit and any separately owned tract therein, shall be deemed for all purposes to have been actually produced from such provisional drilling unit and tract, and development, exploration or production operation with respect to any portion of the provisional drilling unit shall be deemed for all purposes to be the conduct of such operation for the production of gas from each separately owned tract in said unit.

5. **Relief Granted:** Granting of such other relief as is merited by the evidence and is just and equitable whether or not such relief has been specifically requested herein shall be and hereby is granted.

6. **Special Findings:** The Board finds:

- (1) To Establish a Provisional Drilling Unit pursuant to Va. Code § 45.1-361.20;
- (2) Allow multiple wells within the provisional drilling unit established hereby as depicted on Exhibit "A"
- (3) Approve that the dimensions of the unit be 3733' by 3733'
- (4) That the Unit be established with a 300' interior window with a 600' standoff from horizontal wellbores in adjacent units;
- (5) That the operator be allowed to drill surface locations (top-hole) outside of the unit so long as all production comes from within the interior window of the unit, and
- (6) That there be a minimum of 600' between any horizontal wellbore and any vertical well producing from that horizon and that
- (7) The Order provides for multiple wells for maximum drainage.
- (8) The Board finds the subject drilling unit conforms to the mine development plan and corresponds with mine operations, including, without limitation, the drilling of multiple conventional gas wells in the subject drilling unit.

7. **Conclusion:** Therefore, the requested relief and all terms and provisions set forth above be and hereby are granted and IT IS SO ORDERED.

8. **Appeals:** Appeals of this Order are governed by the provisions of Va. Code Ann. § 45.1-361.9 which provides that any order or decision of the Board may be appealed to the appropriate circuit court.

9. **Effective Date:** This Order shall be effective as of the date of the Board's approval.

DONE AND EXECUTED this 18<sup>th</sup> day of August,  
2015, by a majority of the Virginia Gas and Oil Board.

Bradley C. Lambert  
Bradley Lambert, Chairman

DONE AND EXECUTED this 18<sup>th</sup> day of August,  
2015, by a majority of the Virginia Gas and Oil Board.

Rick Cooper  
Rick Cooper  
Principal Executive to the Staff  
Virginia Gas and Oil Board

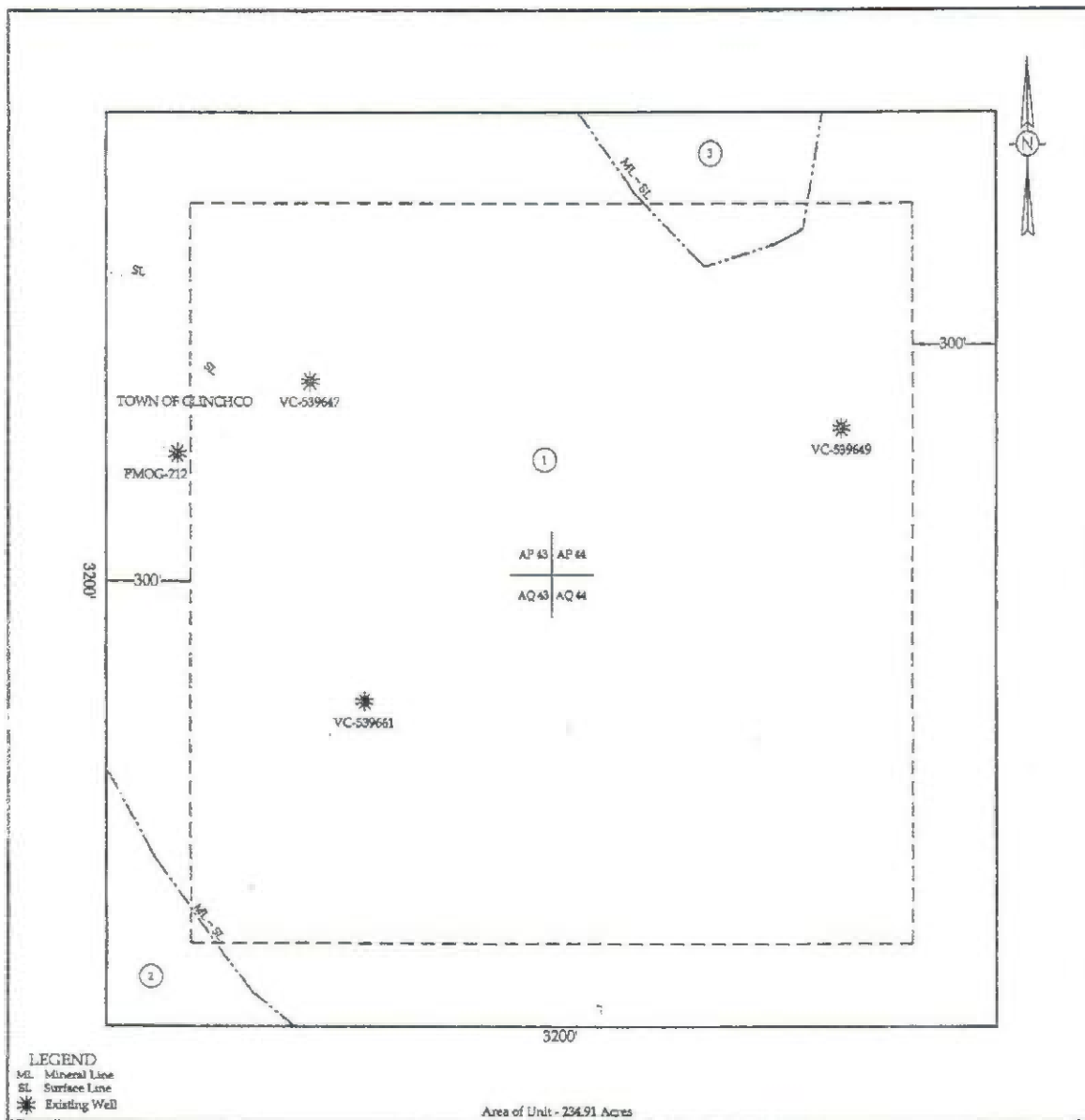
STATE OF VIRGINIA  
COUNTY OF RUSSELL:

Acknowledged this 18<sup>th</sup> day of August, 2015,  
personally before me a notary public in and for the Commonwealth of Virginia, appeared  
Bradley Lambert, being duly sworn did depose and say that he is Chairman of the  
Virginia Gas and Oil Board and Rick Cooper being duly sworn did depose and say that  
he is Principal Executive to the Staff of the Virginia Gas and Oil Board, that they  
executed same and were authorized to do so.

Sally Settle Ketron  
Sally Settle Ketron

My Commission Expires January 31, 2019





1. Property Information Provided by Equitable Production Co.
2. Property Lines Not Surveyed.

EXHIBIT A

Company EQUITABLE PRODUCTION CO.

Tract No. \_\_\_\_\_ Lease No. 906889/T-444

District ERVINTON

Scale: 1" = 400'

Date 09-05-08

Well Name or Number AP-43, AQ-43, AP-44, AQ-44

Quadrangle HAYSI

County DICKENSON

COMMONWEALTH OF VIRGINIA  
DOUGLAS R. LIGHT  
Lic. No. 002285  
LAND SURVEYOR

~~Licensed Professional Engineer or~~ Licensed Land Surveyor

DGO-7 Supplement  
WELL UNIT PROPERTY OWNER INDEX  
AP-43, AQ-43, AP-44, AQ-44

(1)

**Drill Tract**

Lease No. 906889/T-444

J.W. Wright

(916.84 Acres)

Heartwood Forestland Fund IV, LP ~ Surface

Dickenson~Russell Coal Company, LLC/Alpha Land & Reserves, LLC/ACIN Land & Reserves, LLC/WBRD, LLC ~ Coal

Range Resources~Pine Mountain, Inc. ~ Oil, Gas & CBM

221.85 ~ 94.44%

(2)

Lease No. 906889/T-134

Lovell Stanley

(635.72 Acres)

Heartwood Forestland Fund IV, LP ~ Surface

Dickenson~Russell Coal Company, LLC/Alpha Land & Reserves, LLC/ACIN Land & Reserves, LLC/WBRD, LLC ~ Coal

Range Resources~Pine Mountain, Inc. ~ Oil, Gas & CBM

6.10 Ac. ~ 2.60%

(3)

Lease No. 906889/T-353

W.F. Stanley

(167.60 Acres)

Heartwood Forestland Fund IV, LP ~ Surface

Dickenson~Russell Coal Company, LLC/Alpha Land & Reserves, LLC/ACIN Land & Reserves, LLC/WBRD, LLC ~ Coal

Range Resources~Pine Mountain, Inc. ~ Oil, Gas, & CBM

6.96 ~ 2.96%

**EXHIBIT "B"**  
**VGOB 08/10/21-2353**  
**VCH-539986**

Range Resources-Pine Mountain Inc.  
Attn: Jerry Grantham  
P.O. Box 2136  
Abingdon, VA 24212

Dickenson-Russell Coal Company  
Attn: Steve Smith  
5703 Crutchfield Dr.  
Norton, VA 24273

ALPHA Land & Reserves, LLC  
Attn: Steve Smith  
406 West Main Street  
Abingdon, VA 24210

WBRD LLC  
John Mooney  
PO Box 2827  
Huntington, WV 25727

ACIN LLC  
John Mooney  
PO Box 2827  
Huntington, WV 25727

INSTRUMENT #150000953  
RECORDED IN THE CLERK'S OFFICE OF  
DICKENSON ON  
AUGUST 26, 2015 AT 03:25PM  
RICHARD W. EDWARDS, CLERK  
RECORDED BY: CJB